

State of South Carolina

Office of the Governor

MARK SANFORD GOVERNOR

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November 9, 2004

The Honorable David H. Wilkins Speaker of the House of Representatives Post Office Box 11867 Columbia, South Carolina 29211

Mr. Speaker and Members of the House:

I am hereby returning without my approval H. 3507, R-405, a bill which mandates certain rights and duties for lessors and lessees in commercial lease agreements. I am vetoing this bill because I believe parties to commercial lease agreements should have the freedom to contract regarding their respective commercial rights and duties.

This bill gives lessors a statutory right to enter and inspect the leased premises. While the bill does allow the parties to modify or eliminate this inspection right, the bill is unnecessary because parties to a commercial lease transaction can already decide whether or not to include an inspection provision in their lease under current contract law.

Until now, no statutory rights of this specific nature have been enacted for commercial leases because parties to a commercial lease have the flexibility to negotiate these details at armslength. Unlike the government, parties to a commercial transaction are in the best position to know the terms and provisions needed for their particular agreement. I believe that contracting parties should have the flexibility to decide these types of commercial lease matters without the government creating new statutory rights.

For the reasons stated above, I am vetoing H. 3507, R-405.

Sincerely,

Mark Sanford